



STATE PUBLIC WORKS BOARD

Gavin Newsom ■ Governor

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STATE PUBLIC WORKS BOARD

December 16, 2024

FINAL MINUTES

MEMBERS PRESENT:

Michele Perrault, Chief Deputy Director, for the Department of Finance
Jennifer Osborn, Chief Deputy Director, for the Department of General Services
Mike Keever, Chief Deputy Director, for the Department of Transportation

MEMBERS ABSENT:

None.

CALL TO ORDER AND ROLL CALL:

Michelle Perrault, Chairperson of the State Public Works Board (Board), called the meeting to order at 10:02 a.m. Angela Noland, Secretary of the Board, called the roll. A quorum was established.

BOND ITEMS:

None

MINUTES:

The first order of business was to approve the minutes from the November 8, 2024, Board meeting.

Ms. Perrault asked if there were any questions or comments from the Board, or from the public. There were none.

A motion was made by Ms. Osborn and seconded by Mr. Keever to approve the minutes. The motion passed unanimously through a 3-0 roll-call vote (Ms. Perrault, Ms. Osborn, and Mr. Keever all voting aye).

CONSENT ITEMS:

The next order of business was to consider two Consent Items.

Consent Item 1: Ms. Lukenbill state that if approved, the requested action would approve an augmentation of \$7,164,000 Public Buildings Construction Fund (5.6 percent of total project appropriations and 16.6 percent cumulative) for the California Institution for Men, 50-Bed Mental Health Crisis Facility project in San Bernardino County for the Department of Corrections and Rehabilitation.

The augmentation request was driven by the following issues:

- Potential Design Errors and Omissions (\$3,270,000)

- Extended Job Costs (\$549,000)
- Construction Contract Contingency replenishment (\$191,000)
- Architectural and Engineering Design cost increases Increase (\$1,084,000)
- Material and Equipment Cost Escalation (\$451,000)
- Material Testing costs(\$889,000)

With this augmentation, total project costs are \$148.3 million. The project is scheduled to be completed in October 2025.

Consent Item 2: Ms. Lukenbill stated that if approved, the requested action would recognize a scope change and revised project costs for the Adult Local Criminal Justice Facilities Project in Merced County for the Board of State and Community Corrections. The scope change would add specific technical elements to the scope, including three new stand-alone buildings consisting of a new electrical/utility room and two ancillary custody security buildings, an emergency responder radio communication system in all buildings, demolition of the original Building 200, and widening of the fire apparatus access road with extensions for hose pulls.

The change is necessary to clearly define and separate the scope of the state project (Phase I), which will be partially funded with lease revenue bonds issued by the Board, versus the county project (Phase II) which will not utilize any state funding.

The new total estimated project cost associated with this scope change is \$95,764,000, of which the state's share is \$40 million.

Ms. Lukenbill noted that both Consent Items 1 and 2 required 20-day notices to the Joint Legislative Budget Committee and the fiscal committees in each house. The letter for Consent Item 1 was sent on November 14, 2024, and the letter for Consent Item 2 was sent on November 21, 2024. The notification period had expired for both letters, without adverse comment.

Ms. Perrault asked if there were any questions or comments from the Board, or from the public.

Ms. Perrault asked why the \$3,270,000 related to Design Errors and Omissions were not anticipated. Michael Potter, Associate Director of Facility Planning, Construction and Management with the Department of Corrections and Rehabilitation (CDCR), agreed that these issues should have been anticipated, and stated that CDCR is currently working with the construction manager to address two items that were not brought to CDCR's attention: (1) a 10-inch water line that needed to be moved, and (2) a utility tunnel with an incorrect elevation.

Ms. Perrault thanked Mr. Potter for his response and asked if there were any further comments or questions from the Board, or from the public. There were none.

A motion was made by Mr. Keever and seconded by Ms. Osborn to approve Action Item 1. The motion passed unanimously through a 3-0 roll-call vote (Ms. Perrault, Ms. Osborn, and Mr. Keever all voting aye).

ACTION ITEMS:

The next order of business was to consider one Action Item.

Action Item 1:

Ms. Lukenbill stated that the next order of business was to consider one action item.

Ms. Lukenbill stated that if approved, the requested action would adopt one Resolution of Necessity authorizing the use of eminent domain by the High-Speed Rail Authority, to acquire the following property or interests in property for the High-Speed Train System:

- **Zimmerman Property (Kern County)**

The Authority notified the Board's staff that for Property 1, in January 2023 the respective property owners who could be located were provided with a first written offer to purchase the subject property, as required by Government Code section 7267.2. The Authority has informed the Board's staff that negotiations to acquire the property are continuing; however, to keep the project on schedule, the adoption of a Resolution of Necessity to authorize the use of eminent domain is required at this time. For five of the owners of Property 1, a formal offer to purchase the Property was not mailed due to the inability to locate the owners of record or confirm the identity or any appropriate heirs, descendants, or devisees.

On November 21, 2024, Notices of Intent to adopt a Resolution of Necessity were mailed by Board staff to the owners that could be located. An additional Notice of Intent, dated November 22, 2024, was posted at the property boundary. These notices were sent in accordance with Code of Civil Procedure.

Ben Chandler, counsel to the Board on Eminent Domain items presented the Resolution of Necessity.

Mr. Chandler stated that the Resolution of Necessity that was before the Board had been reviewed to ensure there is prima facie evidence that the factors set forth in Code of Civil Procedure Section 1245.230 are present. Specifically, that the Resolution provided:

1. The public interest and necessity require the Project.
2. That the proposed Project is planned and located in a manner that will provide the greatest public good with the least private injury.
3. The acquisition property described in Exhibit A of the Resolution is necessary for the project; and
4. The offer of just compensation required by Government Code section 7267.2 has been made to all owners of record as required by the statute, except where an offer could not be made because the owner of record or any appropriate heirs, descendants, or devisees could not be located.

Mr. Chandler continued by saying it is counsel's opinion that prima facie evidence for these factors is present such that the Board may adopt the Resolution of Necessity. If

the Board agrees and determines these factors are present, the Board may move to adopt the Resolution of Necessity.

Ms. Perrault asked if there were any questions or comments from the Board or from the public. There were none.

A motion was made by Mr. Keever and seconded by Ms. Osborn to approve Action Item 1. The motion passed unanimously through a 3-0 roll-call vote (Ms. Perrault, Ms. Osborn, and Mr. Keever all voting aye).

OTHER BUSINESS:

None.

GENERAL PUBLIC COMMENT:

Ms. Perrault asked if there were any other questions or comments from the Board, or from the public. There were none.

REPORTABLES:

Ms. Lukenbill presented the Reportable Items for the period of October 28, 2024, through December 4, 2024.

Ms. Perrault asked if there were any questions or comments from the Board, or from the public. There were none.

NEXT MEETING:

Ms. Perrault stated that the next Board meeting was scheduled for Monday, January 13, 2024. The time and location of the meeting would be posted on the Board's website.

Ms. Perrault asked if there were any other questions or comments from the Board or from the public. There were none. The meeting concluded at 10:13.